

INCOMING TELEGRAM

REVIEWED BY *P. Apple*

DATE *4/1/50*

Action Assigned to *CH*

Action Taken *none*

EXPI. DATE

REL. ON(S)

EXISTING MARKINGS ☐

CLASSIFIED/RELEASABLE ☐

RELEASE DENIED ☐

PA or FOI EXEMPTIONS

Control 11500

Date of Action 1950

Rec'd Action Office Symbol *CH*

1:19 P.M.

Name of Officer *Apple*

Direction to DC/R *Apple*

MAR 27 1950

FOR  
CIA  
AAN  
DCR

FROM: Taipei

TO: Secretary of State

NO: 491, March 25, 2 p.m.

SENT DEPARTMENT 491, REPEATED HONG KONG 141.

Called on Premier Chen Cheng for forty-five minutes today, found him friendly. Dressed in military uniform.

Expressed to Premier good impression created by new Cabinet and military appointments that would be possible report to my government continuing improvements in situation. Remarked also on rising morale which contrasted with pessimism of few weeks ago.

Premier declared had assumed office with widespread support, had declared firm intention successfully defend Taiwan although outcome would depend on extent of Soviet aid to the Chinese Communists; now devoting full attention political affairs though earlier engaged military affairs would aim at Mao, stating stability as prerequisite to holding Taiwan; encouraged by aspect of aid to be voted by Congress for 1951.

Explained to Premier my impression that in some circles morale rose and fell in accordance with status of legislation in US involving substantial sums, that this not particularly healthy, and that understanding of nature and extent of aid proposed by US administration was desirable. Pointed out US aid though small compared to sums spent on mainland was in proportion to population and area now actually much greater, and much more effective view relatively spent economy. Also that stability and military security of Taiwan had direct relationship to US aid.

Premier referred

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In concluding, the speaker expressed desire to maintain close contact, obtained any desired information from his files regarding Soviet participation in Chinese Communist military preparations. (Strong)

He also expressed regret that he was unable to provide more information regarding the situation in Hainan, stating that he hoped to return to Hainan at an early date.

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